

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries and Commerce Department – Extension of certain incentives under Industrial Development Policy 2015-2020 under Mega Project Status to M/s. Indo Count Industries Limited in Krishna and Guntur districts in Phase-I - Orders-Issued.

INDUSTRIES & COMMERCE (PROGRAMME-II) DEPARTMENT

G.O.MS.No. 120

Dated: 05-09-2017

Read the following:-

1. Lr. Rc. No. 1893/2017-T, Dated 21/04/2017 of the Commissioner of Handlooms and Textiles, Guntur.
2. Minutes of the State Investment Promotion Committee Meeting on 09.06.2017
3. Minutes of the State Investment Promotion Board Meeting on 13.06.2017

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ORDER:

In the letter 1st read above, the Commissioner of Handlooms & Textiles, Yerrabalem, Guntur has informed that M/s Indo Count Industries Limited, Mumbai intends to establish a textile weaving unit in Andhra Pradesh (Krishna / Guntur) in Phase-I with an investment of Rs. 250 Crore and potential to provide employment to 600 persons directly and to create employment to 2000 persons indirectly. In the Second phase, the unit proposes to set up facilities for processing, garmenting/ made-ups. The unit requested the following incentives:-

The company has requested for

- (i) waiver of registration charges and exemption from stamp duty and subsequent mortgages.
- (ii) 20% capital subsidy on investment in Plant & Machinery done during first 7 years without any upper limit.
- (iii) interest subsidy @ 8.75% for minimum 7 years in addition to Central TUF Subsidy if available.
- (iv) 50% rebate on land acquisition on outright sale & its development.
- (v) exemption (instead of reimbursement) from all State & Local taxes and levies including Sales tax or GST, Turnover tax, works contract tax, cess, commercial tax etc. in respect of all inputs & outputs of goods & services for 15 years.
- (vi) 50% concession in power tariff and waiver of electricity duty and TOD charges for 15 years (or) Alternatively waive off all taxes and duties in case unit prefers to go under open access power for 15 years.
- (vii) exemption from employer's contribution to ESI and EPF for a period of 15 years.
- (viii) capacity building support in terms of funding assistance on market development, branding, product development, and product diversification.
- (ix) Providing funding support on compliances & standards such as OKE-TEX, UN Environmental Programme etc.
- (x) 50% subsidy (with no cap) on total fixed capital investment in Green measures and Resource & Environmental Conservation (which may come up in Phase-II of the project) like investments in Renewable Energy, ETPs, STPs, rain water harvesting, Energy/Water/ Environmental Audits etc. required for the Unit
- (xi) providing training assistance/ skill development incentive of Rs. 15,000 per worker with an additional one time grant of Rs. 5 Crore for multi skill development centre to be started by the Company

2 In the reference 2nd read above, the State Investment Promotion Committee (SIPC) examined the proposal and discussed in detail and recommended the following incentives to M/s Indo Count Industries Limited:-

- (a) Capital Subsidy @ 10% of the fixed capital investment limited to Rs.10.00 Crore available for garment units under Textile policy to be extended to integrated textile projects.
- (b) Power cost reimbursement @ Rs.2/- per unit for 5 years to be extended to integrated textile units and to amend the Textile Policy accordingly in order to create a level playing field, keeping in view the power cost reimbursement provided to spinning mills under earlier policies.
- (c) One time training assistance @ Rs.10,000 per employee for 2000 employees.
- (d) With regard to establishment of skill development centre, Chairman State Investment Promotion Committee directed AP State Skill Development Corporation / Industries Department to tap the funds available under Government of India schemes for skill development. The Secretary, Industries and Commerce Department has informed that the department is working with Infrastructure Leading & Financial Services for establishing Skill development centre dovetailing Government of India schemes.
- (e) 50% of the eligible Capital Investment on green measures specified in the Industrial Development Policy 2015-2020 policy with a ceiling of Rs. 50 crore based on the precedence.
- (f) All other incentives as per Textile and Apparel Policy 2015-2020.

3 In the reference 3rd read above, the State Investment Promotion Board (SIPB) has examined the proposal of M/s Indo Count Industries Limited and discussed in detail and decided to consider M/s Indo Count Industries Limited for the following incentives:-

- a) Capital Subsidy @ 10% of the fixed capital investment limited to Rs.10.00 Crore available for garment units under Textile policy to be extended to integrated textile projects.
- b) Power cost reimbursement @ Rs.2/- per unit for 5 years to be extended to integrated textile units and to amend the Textile Policy accordingly.
- c) One time training assistance @ Rs.10,000 per employee for 2000 employees.
- d) With regard to establishment of skill development centre, Chairman State Investment Promotion Committee directed AP State Skill Development Corporation / Industries Department to tap the funds available under Government of India schemes for skill development. The Secretary, Industries and Commerce Department has informed that the department is working with Infrastructure Leading & Financial Services for establishing Skill development centre dovetailing Government of India schemes.
- e) 50% of the eligible Capital Investment on green measures specified in the IDP 2015-2020 policy with a ceiling of Rs. 50 crore based on the precedence.
- f) All other incentives as per Textile and Apparel Policy 2015-2020

4 Government after careful consideration of the recommendations of the State Investment Promotion Board hereby agree to provide incentives under mega project status to M/s Indo Count Industries Limited as proposed in Para 3 above.

5 The Commissioner of Industries, Andhra Pradesh, Vijayawada shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIA RAJ,
SECRETARY TO GOVERNMENT & CIP

To

The Commissioner of Handlooms & Textiles, Yerrabalem Village, Guntur District.

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The Commissioner of Industries, Andhra Pradesh, Vijayawada.

M/s. Indo Count Industries Limited, Mumbai through the Commissioner of Handlooms & Textiles, Yerrabalem.

The PR& RD (PR) Department.

The MA& UD Department.

The H.M.& F.W. Department.

The Collector& District Magistrate, Krishna / Guntur District.

The VC&MD,APIIC Ltd.

The General Manager, District Industries Centre, Krishna / Guntur District.

Copy to

The Finance (EBS-VIII) Department.

The Revenue (CT) Department.

The Revenue (Registration) Department.

The Law(H) Department.

The Accountant General, Andhra Pradesh

The Commissioner of Commercial Taxes

The Vice Chairman & Managing Director, APIIC, Vijayawada.

P.S. to Secretary to Chief Minister

P.S. to Chief Secretary to Government

P.S. to Secretary to Government & CIP, Industries & Commerce Dept.

SC/SF.

//FORWARDED BY ORDER//

SECTION OFFICER